Study for Viability of NTC Mills

2470. SHRI RAMDAS AGARWAL: Wm the Minister of TEXTILES be Pleased to state:

(u) whether Government's plan to revive NTC mills has taken a new turn) with the Textile Ministry'5 suggestion for a mill-wise study on commercial viability on the basis of net worth, as reported in tbg 'Hindusta'n Times' dated the 22nd July. 1997;

(b) if so, the details thereof and the reasons therefor; and

(c) whether interests of the workers would be safeguarded in respect of such mills which are ftmnd beyond revival] redemption as a result bf mill wise study now proposed to be undertaken by his Ministry, particularly in Rajasthan and Orissa?

THE MtTNISTER OF TEXTILES (SHRI R. L. JALAPPA): (a) to (c): On account of their net worth erosion, 8 out lof the *9* subsidiaries of NTC havei been referred to and declared sick bv the BIFR. Gbveroment approved a revised Turn Aroimd Plan in May, 1995, envisaging modernisation of 79 mills at a cost of Rs. 2005.72 crores, restructu ring of 36 unviable units: into 18 viable units by merger etc The funds for modernisation have to be raised from sale of surplus lands and assets. Due to the reluctance of the State Govern, ment of Maharashtra to approve the ^alj of •^iirplu'i land^ of the Mimibai mills fromi where more tha-n 80 per cent of the sale. nroceeds are estimated and since the BIFR has not Y^t approved the package, the Turn Around Plan could not be taken up till date. In this backsroimd. tbe NTC has reviewed the unit-wise viability keeping in view the concessions agreed to by the Government in 1995 and the concept of pet worth becoming positive. The report of the NTC is under consideration of the Government.

In the meanwhile. Govermnent is pro. viding budgetai-y support to NTC to meet thei,- shortfall in payment of wa. ges, salaries and bonus, Govemment are also implementing a Volimtary Retirement Scheme in NTC mills to ratcmalise the surplus workforce.

Textile Units Registered with BIFR

2471. SHRI AKHILESH DAS: Will the Minister of TEXTILES b© pleased to state:

(.a) how many textile units were re-gisteerd with the Board for Industrial and Finance Reconstruction (DIFR) during the last three years;

(b) in how many oases BIFRhas drawn up rehabilitation packagesand how many of them are from Uttar Pradesh itself;

(c) whether Government have created a Textile Modernisation Fund to meet the modernisation requirements of the textile industry; and

Id) if so, what are the details in this regard?

THE MINISTER OF TEXTILE (SHRI R. L. JALAPPA): (a) The cases of 45 textile mills were registered with Board for industrial and Financial Reconstruction (BIFR) dtiring the last three year (1994-96).

(b) During the last three years BIFR has drawn up rehabilitation packages in respect of 14 mills Nong of them is from Uttar Pradesh.

(c) and (d) Government of India introduced) the Textile Modernisation Fund scheme in 1986 for a period of 5 years with a corpus of Rs. 750 crores with a view to extending financial assistance for modernisstion of Textile Mills through replacement/ renovation of equipment/machinery, upgradation of technology, improvement of product quality and enhancement of export quality. The net amount sanctioned by IDBI, the nodal agency for the scheme aggregated to Rs. 1288.5 crores to 357 units over a period of 5 years.